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June 13, 2006

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*Counsel for the official Committee of Equity
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Deed Fund, LLC*

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:) BK-S-06-10725-LBR
USA COMMERCIAL MORTGAGE COMPANY,) Chapter 11
Debtor.)

In re:) BK-S-06-10726-LBR
USA CAPITAL REALTY ADVISORS, LLC,) Chapter 11
Debtor.)

In re:) BK-S-06-10727-LBR
USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,) Chapter 11
Debtor.)

In re:) BK-S-06-10728-LBR
USA CAPITAL FIRST TRUST DEED FUND, LLC,) Chapter 11
Debtor.)

In re:) BK-S-06-10729-LBR
USA SECURITIES, LLC,) Chapter 11
Debtor.)

Affects

- ☐ All Debtors)
☐ USA Commercial Mortgage Co.)
☐ USA Securities, LLC)
☐ USA Capital Realty Advisors, LLC)
☐ USA Capital Diversified Trust Deed)
☒ USA First Trust Deed Fund, LLC)

Date: June 21, 2006
Time: 9:30 a.m.
Place: Courtroom #1

**DECLARATION OF EVE H. KARASIK IN SUPPORT OF MOTION FOR ORDER
SHORTENING TIME ON APPLICATION OF OFFICIAL COMMITTEE OF EQUITY
SECURITY HOLDERS OF USA CAPITAL FIRST TRUST DEED FUND, LLC FOR**

ORDER AUTHORIZING EMPLOYMENT AND RETENTION OF ALVAREZ & MARSAL, LLC AS ITS FINANCIAL AND REAL ESTATE ADVISOR NUNC PRO TUNC TO JUNE 1, 2006

(AFFECTS USA FIRST TRUST DEED FUND, LLC)

I, Eve H. Karasik, Esq., hereby declare and state as follows:

1. The following facts are personally known to me and if called to testify thereto, I could and would do so under oath.

2. I make this declaration in support of the Application of official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC for Order Authorizing Employment and Retention of Alvarez & Marsal, LLC as its Financial and Real Estate Advisor Nunc Pro Tunc to June 1, 2006 (the "Application").

3. The above-captioned debtors filed bankruptcy on April 13, 2006.

4. On May 10, 2006, the United States Trustee appointed the official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (the "Committee"), to represent the interests of the investors in that entity (the "Investors") throughout the administration of the estate.

5. This Bankruptcy Case presents many issues of financial complexity, and the Committee requires significant financial advise and counsel in order to determine the Debtor's accurate financial and operational condition, the evaluation of accounting analyses prepared by the Debtor, and other financial services relating to the administration and the development of the Bankruptcy Case.

6. In its Amended Order Establishing Case Management Procedures entered on May 17, 2006, the Court set Omnibus Hearing Dates for all matters relating to the Bankruptcy Case. The next Omnibus Hearing Date following the June 21, 2006 hearing date is set for July 25, 2006. However, the need for comprehensive financial advice and services is immediate and

1 cannot wait until the July 25th Omnibus Hearing Date.

2 7. For these and other reasons, it would thus be beneficial to the administration of
3 the estate for the aforementioned Motion to be heard on shortened time.
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5 Respectfully submitted this 13th day of June, 2006.
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8 /s/ Eve H. Karasik

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